

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7090

BILL NUMBER: SB 381

DATE PREPARED: Dec 28, 2001

BILL AMENDED:

SUBJECT: Use of MTBE as gasoline additive.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 X FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that after July 23, 2004, gasoline sold, offered for sale, or used in Indiana may not contain more than one-half percent by volume of methyl tertiary butyl ether (MTBE). (The introduced version of this bill was prepared by the Interim Study Committee on Agriculture and Animal Issues.)

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: This proposal is expected to have a minimal, if any, fiscal impact. Whatever impact does occur will be in the receipt of federal funds, but the amount is indeterminable. Specific data on the number of gallons of gasoline sold which contain MTBE are not available. The federal Energy Information Administration, which tracks such data, and the Department of State Revenue have indicated that they have no specific data on the use of MTBE. The Indiana Petroleum Council has also indicated that it does not have any specific data on the use of MTBE, and any fiscal impact would be minimal and would impact federal funds.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Transportation.

Local Agencies Affected:

Information Sources: Tancred Lidderdale, Energy Information Administration, 202-586-7321; Chris Kubik, Economist, Dept. of Transportation, 232-5640; Stan Pinegar, Indiana Petroleum Council, 639-2588.